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MAINE DEPARTMENT OF
LABOR
20 Union Street Augusta, Maine 04330

BUREAU OF EMPLOYMENT SECURITY
Division of Economic Analysis and Research

LABOR MARKET DIGEST

AUGUST 1984

A Labor Market Information Newsletter on Maine Economic Activity

MAINE LABOR SURPLUS AREAS

THE U.S. DEPARTMENT OF LABOR, EMPLOYMENT AND TRAINING ADMINISTRATION RECENTLY RELEASED A LIST OF LABOR SURPLUS AREAS. ON THE LIST, WHICH BECAME EFFECTIVE OCTOBER 1, 1984 AND REMAINS IN EFFECT THROUGH SEPTEMBER 30, 1985, WERE THE MAINE COUNTIES OF ANDROSCOGGIN, AROOSTOOK, OXFORD, SOMERSET, WALDO, AND WASHINGTON.

EMPLOYERS LOCATED IN LABOR SURPLUS AREAS CAN BE GIVEN PREFERENCE IN BIDDING ON FEDERAL PROCUREMENT CONTRACTS. THE PURPOSE OF PROVIDING SUCH PREFERENCE IS TO HELP DIRECT THE GOVERNMENT'S PROCUREMENT DOLLARS INTO AREAS WHERE PEOPLE ARE IN MOST SEVERE ECONOMIC NEED, I.E., AREAS WITH THE HIGHEST UNEMPLOYMENT RATES.

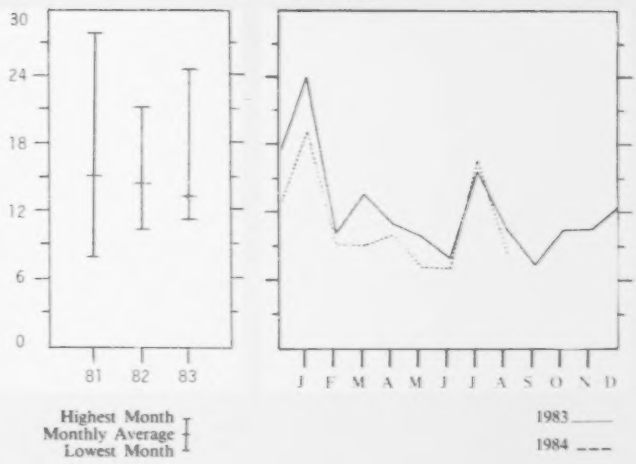
THE CONCEPT OF CHANNELING FEDERAL PROCUREMENT CONTRACTS INTO HIGH UNEMPLOYMENT AREAS DATES BACK TO THE EARLY 1950s. AT THAT TIME, DURING THE KOREAN CONFLICT, THERE WAS CONCERN AMONG GOVERNMENT OFFICIALS THAT HIGH UNEMPLOYMENT RATES AND LOW UTILIZATION OF PLANTS AND EQUIPMENT IN SOME AREAS WOULD LEAD TO EROSION OF THE MOBILIZATION BASE AND ADVERSELY AFFECT THE NATION'S PRODUCTION CAPABILITY. THERE WAS ALSO CONCERN THAT THE COST OF CONSTRUCTING NEW PLANTS AND RELOCATING WORKERS WOULD CAUSE AN UNNECESSARY DRAIN ON THE NATION'S RESOURCES.

THE OFFICE OF DEFENSE MOBILIZATION STUDIED THIS PROBLEM AND IN FEBRUARY 1952 ISSUED DEFENSE MANPOWER POLICY NO. 4 (DMP-4). THIS POLICY IMPLEMENTED THE IDEA OF DIRECTING FEDERAL PROCUREMENT CONTRACTS TO EMPLOYERS IN LABOR SURPLUS AREAS. OVER THE YEARS THIS CONCEPT HAS BEEN CARRIED FORWARD IN SEVERAL PUBLIC LAWS AND/OR EXECUTIVE ORDERS TO INCLUDE PUBLIC LAW 96-302 (SMALL BUSINESS ADMINISTRATION) AND EXECUTIVE ORDER 10582 (THE BUY AMERICAN ACT). CURRENTLY, EXECUTIVE ORDER 12073 ASSIGNS THE U.S. DEPARTMENT OF LABOR THE RESPONSIBILITY FOR CLASSIFYING LABOR SURPLUS AREAS.

(CONTINUED ON PAGE 2)

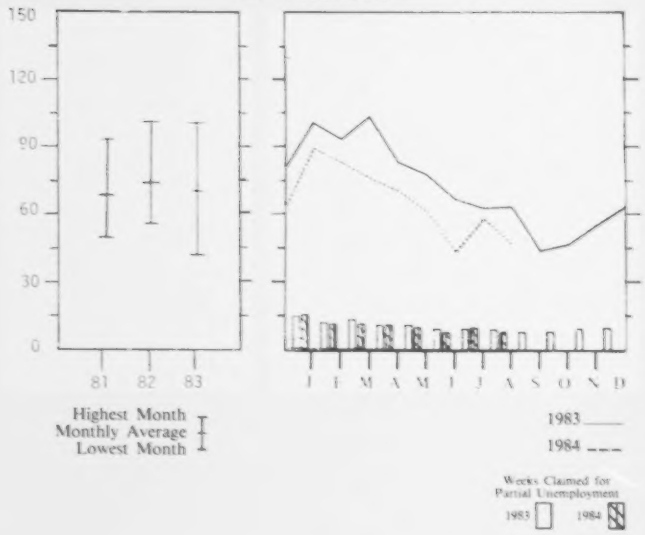
UI Initial Claims

in Thousands



UI Intrastate Weeks Claimed

in Thousands



THE CLASSIFICATION PROCEDURES USED TO DESIGNATE LABOR SURPLUS AREAS REFLECT THE RELATIONSHIP OF AN AREA'S UNEMPLOYMENT RATE TO THE NATIONAL UNEMPLOYMENT RATE DURING A SPECIFIED REFERENCE PERIOD. THE REFERENCE PERIOD USED IN PREPARING THE CURRENT LIST OF LABOR SURPLUS AREAS WAS JANUARY 1982 THROUGH DECEMBER 1983. QUITE SIMPLY, A LABOR SURPLUS AREA HAD TO HAVE HAD AN UNEMPLOYMENT RATE THAT WAS AT LEAST 120 PERCENT OF THE NATIONAL RATE DURING THE REFERENCE PERIOD OR A "CEILING" UNEMPLOYMENT RATE OF 10 PERCENT OR MORE. THE SIX MAINE COUNTIES THAT WERE DESIGNATED WERE QUALIFIED UNDER THE "CEILING" CONCEPT.

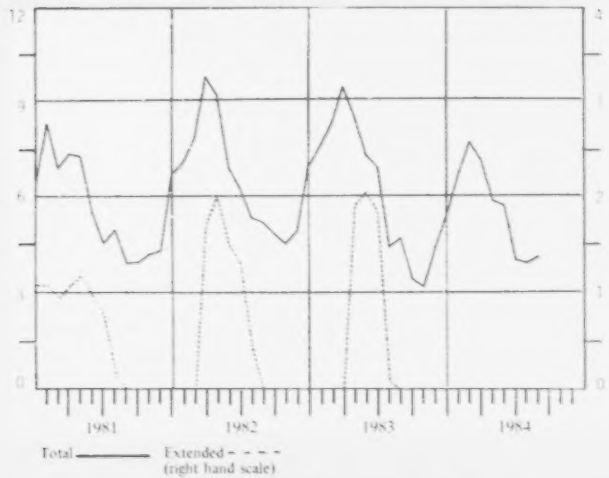
THE CLASSIFICATION PROCEDURES ALSO PROVIDE FOR THE DESIGNATION OF LABOR SURPLUS AREAS UNDER "EXCEPTIONAL CIRCUMSTANCES" CRITERIA. THESE PROCEDURES PERMIT THE REGULAR CLASSIFICATION CRITERIA TO BE WAIVED WHEN AN AREA EXPERIENCES SIGNIFICANT INCREASES IN UNEMPLOYMENT WHICH IS NOT TEMPORARY OR SEASONAL AND WHICH WAS NOT ADEQUATELY REFLECTED IN THE DATA FOR THE 2-YEAR REFERENCE PERIOD. IN ORDER FOR AN AREA TO BE CLASSIFIED AS A LABOR SURPLUS AREA UNDER THE EXCEPTIONAL CIRCUMSTANCES CRITERIA, THE MAINE BUREAU OF EMPLOYMENT SECURITY WOULD HAVE TO SUBMIT A PETITION REQUESTING SUCH CLASSIFICATION TO THE U.S. DEPARTMENT OF LABOR'S EMPLOYMENT AND TRAINING ADMINISTRATION. IN THE PAST, BOTH ANDROSCOGGIN AND PENOBSCOT COUNTIES HAVE BEEN CLASSIFIED UNDER THESE PROVISIONS.

Selected Employment Security Activities

UI Benefit Payments

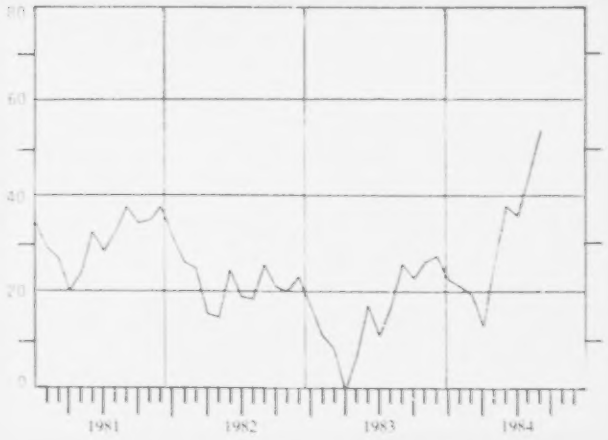
in Million Dollars

(Total Includes Maine's Portion of Extended Benefits)



Unemployment Compensation Fund Balance in Millions

(End of Month)



Nonfarm Wage and Salary Employment by Place of Work

in Thousands

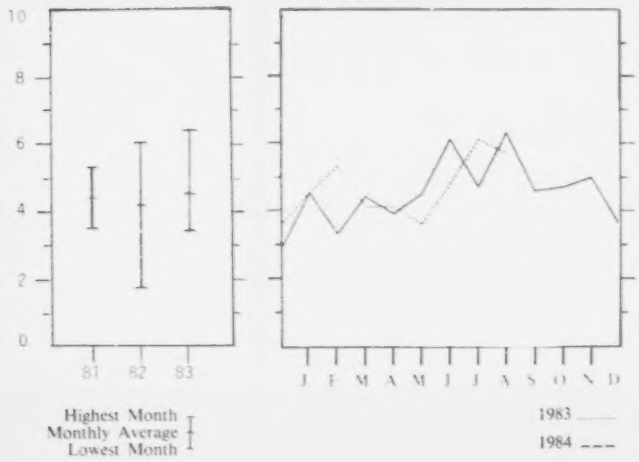
ITEM	STATEWIDE This Month	STATEWIDE Last Month	STATEWIDE Year Ago	PORTLAND SMSA This Month	PORTLAND SMSA Last Month	PORTLAND SMSA Year Ago	LEWISTON-AUBURN SMSA This Month	LEWISTON-AUBURN SMSA Last Month	LEWISTON-AUBURN SMSA Year Ago
Total Nonfarm Wage and Salary 1/	452.2	445.0	440.1	103.0	102.7	96.1	34.5	33.0	34.2
Total Manufacturing	112.9	105.5	112.9	17.3	16.7	16.3	11.5	10.1	11.6
Durable Goods	43.2	42.1	41.3	7.7	7.5	6.4	2.4	2.3	2.1
Lumber and Wood Products 2/	13.7	13.2	13.4	0.5	0.4	0.4	0.1	0.1	0.1
Metals and Machinery	16.8	16.4	14.7	6.1	6.0	5.4	1.9	1.8	1.6
Other Durable Goods 3/	12.7	12.5	13.2	1.1	1.1	0.6	0.4	0.4	0.4
Nondurable Goods	69.7	63.4	71.6	9.6	9.2	9.9	9.1	7.8	9.5
Food and Kindred Products	10.0	8.1	10.0	2.1	2.0	2.0	0.9	0.9	0.9
Textile Mill Products	6.9	5.4	6.9	n/a	n/a	n/a	1.5	1.1	1.5
Apparel	4.9	4.1	4.8	n/a	n/a	n/a	0.1	0.1	0.1
Paper and Allied Products	19.6	19.7	18.9	n/a	n/a	n/a	0.8	0.8	0.7
Leather and Leather Products	18.1	15.9	21.1	2.5	2.3	3.2	3.4	2.6	3.8
Footwear (except Rubber)	15.0	13.1	18.0	n/a	n/a	n/a	2.8	2.1	3.2
All Other	3.1	2.8	3.1	n/a	n/a	n/a	0.6	0.5	0.6
Other Nondurable Goods 4/	10.2	10.2	9.9	5.0	4.9	4.7	2.4	2.3	2.5
Total Nonmanufacturing	339.3	339.5	327.2	85.7	86.0	79.8	23.0	22.9	22.6
Mining	0.2	0.2	0.2	*	*	*	0.0	0.0	0.0
Contract Construction	19.0	19.3	18.7	4.5	4.7	4.4	1.6	1.5	1.6
Transportation and Public Utilities	19.2	19.0	17.1	5.8	5.7	4.9	1.1	1.2	1.2
Wholesale and Retail Trade	109.1	108.4	102.5	29.4	29.4	27.5	8.1	8.0	8.1
Finance, Insurance, and Real Estate	19.2	19.2	18.3	9.1	9.0	8.5	1.8	1.8	1.6
Services	95.2	94.7	92.4	24.7	24.8	23.1	7.5	7.4	7.3
Government	77.4	78.7	78.0	12.2	12.4	11.4	2.9	3.0	2.8
Federal	18.2	18.3	18.2	1.5	1.5	1.4	0.3	0.3	0.2
State and Local 5/	59.2	60.4	59.8	10.7	10.9	10.0	2.6	2.7	2.6
Involved in Labor-Management Disputes	0.0	0.0	2.1	0.0	0.0	0.8	0.0	0.0	0.1

1/ Employment figures relate to full - and part-time wage and salary workers in pay periods including the 12th of the month. Domestic workers in private households, proprietors, self-employed, and unpaid family workers are excluded. 2/ Lumber and wood products, and furniture and fixtures are combined in the Portland series. 3/ Includes Standard Industrial Classification (SIC) codes: Statewide - 25, 32, 37, 38, 39; Portland - 32, 37, 38, 39; Lewiston - 25, 32, 37, 39. 4/ Includes SIC codes: Statewide - 27, 28, 29, 30; Portland - 22, 23, 26, 27, 28, 29, 30; Lewiston - 23, 27, 28, 29, 30. 5/ Regular teachers are inkuded in summer months whether or not specifically paid in those months. n/a - data not available in sufficient detail for publication. *Less than 100.

THESE DATA ARE COMPILED BY THE MAINE BUREAU OF EMPLOYMENT SECURITY IN COOPERATION WITH THE U.S. BUREAU OF LABOR STATISTICS.

New Applications For Work

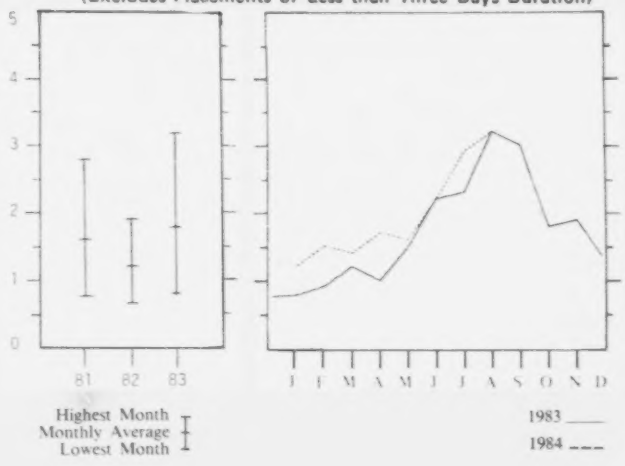
in Thousands



Nonfarm Placements

in Thousands

(Excludes Placements of Less than Three Days Duration)



Earnings and Workweek of Production Workers in Manufacturing Industries

AREA AND INDUSTRY	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS			ANNUAL AVERAGE HOURLY EARNINGS		
	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	1983	1982	1981
STATEWIDE												
Manufacturing	$321.99	$323.95	$302.00	39.9	39.7	40.0	$8.07	$8.16	$7.55	$7.61	$7.22	$6.66
Durable Goods	333.63	329.97	326.83	40.1	39.9	40.3	8.32	8.27	8.11	8.04	7.59	6.97
Lumber and Wood Products	319.80	316.31	306.27	41.0	40.5	41.0	7.80	7.81	7.47	7.37	6.87	6.52
Metals and Machinery	311.65	313.99	302.97	39.3	39.2	39.5	7.93	8.01	7.67	7.59	7.15	6.61
Other Durable Goods	381.90	368.23	380.70	40.2	40.2	40.5	9.50	9.16	9.40	9.31	8.84	7.98
Nondurable Goods	314.03	319.56	289.35	39.7	39.5	39.8	7.91	8.09	7.27	7.37	7.00	6.48
Food and Kindred Products	240.12	232.46	213.90	39.3	34.8	37.2	6.11	6.68	5.75	6.10	5.84	5.50
Textile Mill Products	256.26	233.78	252.62	41.6	40.1	42.6	6.16	5.83	5.93	5.87	5.49	5.17
Apparel	195.06	195.83	204.60	35.4	35.8	37.2	5.51	5.47	5.50	5.39	5.23	4.97
Paper and Allied Products	525.25	513.04	491.48	44.4	44.0	44.0	11.83	11.66	11.17	10.95	10.10	9.27
Leather and Leather Products	204.78	216.50	210.92	36.8	37.2	37.8	5.72	5.82	5.58	5.59	5.46	5.10
Other Nondurable Goods	274.09	279.66	255.19	39.1	39.5	39.2	7.01	7.08	6.51	6.60	6.23	5.75
PORTLAND SMSA												
Manufacturing	303.34	330.26	292.19	38.3	39.6	37.8	7.92	8.34	7.73	7.67	7.19	6.49
LEWISTON-AUBURN SMSA												
Manufacturing	246.28	261.80	240.73	37.6	38.5	39.4	6.55	6.80	6.11	6.16	5.96	5.57

Female Labor Force in Maine

in Thousands

ITEM	This Month 1/	Last Month 1/	Year Ago 2/
Labor Force	250.1	256.0	236.4
Unemployed	16.2	22.5	19.7
(Percent)	6.5%	8.8%	8.3%
Resident Employed	234.5	233.6	216.7

U.S. Consumer Price Index

BASE PERIOD	This Month	Last Month	Year Ago	Last Dec
(1967=100) All Items	[illegible]	313.0	311.7	300.3	303.5

Percent Change for Past Month	+0.4%
Percent Change from Last December	+3.1%
Percent Change from 12 Months Ago	+4.2%

1/ Preliminary estimates 2/ Revised

Labor Force, Employment and Unemployment
in Thousands

AREA 1/	LABOR FORCE 2/			RESIDENT EMPLOYED			UNEMPLOYMENT Number			UNEMPLOYMENT Percent of Labor Force		
	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago
MAINE Statewide	580.1	587.9	562.5	550.5	547.6	520.0	29.6	40.3	42.5	5.1	6.9	7.6
MAJOR LABOR MARKETS												
Bangor-Brewer LMA	43,600	45,000	43,700	41,900	42,700	40,600	1,700	2,300	3,100	3.9	5.1	7.1
Biddeford-Sanford LMA	35,600	36,100	34,800	33,700	32,900	31,900	1,900	3,200	2,900	5.3	8.9	8.3
Lewiston-Auburn SMSA	40,200	41,100	38,900	37,600	36,700	35,700	2,600	4,400	3,200	6.5	10.7	8.2
Portland SMSA	105,700	108,600	98,100	102,300	104,100	92,000	3,400	4,500	6,100	3.2	4.1	6.2
OTHER LABOR MARKETS												
Augusta	30,960	32,080	30,140	29,330	29,700	28,150	1,630	2,380	1,990	5.3	7.4	6.6
Bath-Brunswick	25,100	25,980	25,720	24,150	24,680	24,450	950	1,300	1,270	3.8	5.0	4.9
Belfast	11,930	12,630	12,510	10,830	11,120	11,070	1,100	1,510	1,440	9.2	12.0	11.5
Boothbay Harbor-Wiscasset	10,550	10,680	10,700	10,110	10,140	10,160	440	540	540	4.2	5.1	5.0
Calais-Eastport	21,420	16,200	19,670	20,130	14,830	17,850	1,290	1,370	1,820	6.0	8.5	9.3
Caribou-Presque Isle	21,400	22,750	21,210	19,050	20,050	17,690	2,350	2,700	3,520	11.0	11.9	16.6
Central Penobscot	3,740	3,770	3,810	3,570	3,540	3,590	170	230	220	4.5	6.1	5.8
Dover-Foxcroft	6,820	6,990	6,610	6,420	6,420	6,060	400	570	550	5.9	8.2	8.3
Ellsworth	27,570	27,090	26,690	26,630	25,890	25,430	940	1,200	1,260	3.4	4.4	4.7
Farmington	12,930	13,560	13,430	11,910	12,380	12,450	1,020	1,180	980	7.9	8.7	7.3
Fort Kent-Allagash	5,520	5,930	5,160	5,120	5,410	4,710	400	520	450	7.2	8.8	8.7
Greenville	1,650	1,600	1,700	1,530	1,470	1,630	120	130	70	7.3	8.1	4.1
Houlton	5,360	5,660	5,480	4,950	5,160	4,690	410	500	790	7.6	8.8	14.4
Lincoln-Howland	6,120	6,310	6,070	5,850	5,940	5,610	270	370	460	4.4	5.9	7.6
Livermore Falls	6,320	6,870	6,010	5,710	5,900	5,400	610	970	610	9.7	14.1	10.1
Madawaska-Van Buren	4,290	4,580	4,450	3,970	4,180	3,950	320	400	500	7.5	8.7	11.2
Mechanic Falls	3,360	3,530	2,980	3,090	3,160	2,670	270	370	310	8.0	10.5	10.4
Millinocket-East Millinocket	5,230	5,400	5,300	5,070	5,190	4,930	160	210	370	3.1	3.9	7.0
Patten-Island Falls	2,420	2,610	2,450	2,300	2,450	2,210	120	160	240	5.0	6.1	9.8
Rockland	20,080	19,600	19,110	19,190	18,480	17,730	890	1,120	1,380	4.4	5.7	7.2
Rumford	20,860	20,920	21,330	19,330	18,920	19,520	1,530	2,000	1,810	7.3	9.6	8.5
Sebago Lake Region	15,600	16,250	13,840	15,030	15,510	13,010	570	740	830	3.7	4.6	6.0
Skowhegan	23,040	23,240	22,630	21,400	21,250	20,270	1,640	1,990	2,360	7.1	8.6	10.4
Kittery-York	31,360	30,620	28,790	30,820	29,770	28,070	540	850	720	1.7	2.8	2.5
Southwest Penobscot	8,520	8,640	8,200	7,850	7,480	7,280	670	1,160	920	7.8	13.4	11.2
Waterville	22,840	23,640	23,120	21,680	22,100	21,290	1,160	1,540	1,830	5.1	6.5	7.9
OTHER NEW ENGLAND STATES												
Connecticut	n/a	1,683.4	1,610.0	n/a	1,609.7	1,522.9	n/a	73.7	87.1	n/a	4.4	5.4
Massachusetts	3,098.0	3,094.0	3,047.0	2,951.0	2,959.0	2,864.6	147.0	134.0	182.4	4.7	4.3	6.0
New Hampshire	n/a	539.8	519.7	n/a	515.8	498.1	n/a	24.1	21.6	n/a	4.5	4.2
Rhode Island	494.0	492.3	481.1	469.1	458.7	442.6	24.9	33.6	38.5	5.0	6.8	8.0
Vermont	n/a	273.2	267.3	n/a	260.0	252.0	n/a	13.2	15.3	n/a	4.8	5.7
NEW ENGLAND STATES	n/a	6,081.8	5,925.1	n/a	5,803.2	5,580.2	n/a	278.6	344.9	n/a	4.6	5.8
UNITED STATES 3/	115,076	116,198	113,578	106,694	107,484	103,167	8,382	8,714	10,411	7.3	7.5	9.2

Area Definitions
LMA - Labor Market Area
SMSA - Standard Metropolitan Statistical Area

Notes
n/a indicates that the information was not available at the time of printing.
Employment and unemployment may not add to labor force due to rounding.

Footnotes
1/ Labor force, employment, and unemployment data for all areas not seasonally adjusted. Estimates made independently for each labor market area have been benchmarked to and extrapolated from the Current Population Survey estimates for the state. All data adjusted to a place of residence basis. Excludes members of the Armed Forces.
2/ Current and last month figures preliminary; year ago figures revised.
3/ National estimates based on a sample of household visits; state estimates based on enlargements of employment figures reported.

THESE DATA ARE COMPILED BY THE MAINE BUREAU OF EMPLOYMENT SECURITY IN COOPERATION WITH THE U.S. BUREAU OF LABOR STATISTICS.

Mid-Month Insured Unemployment (Less Partials)

ITEM	STATEWIDE			PORTLAND SMSA			LEWISTON-AUBURN SMSA		
	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago
Number of Continued-Week Claimants	8,509	13,995	9,985	922	1,346	1,423	950	2,244	758
Insured Unemployment Rate *	2.0	3.3	2.4	1.0	1.5	1.7	2.9	6.9	2.3

* Should not be confused with insured unemployment rates as defined in the Employment Security Law.

Selected Characteristics Of Unemployment Insurance Claimants

REGULAR PROGRAM 1/

PERCENT DISTRIBUTION BY OCCUPATION

CATEGORY	This Month	Last Month	Year Ago
Professional, Technical, and Managerial	9.9	10.5	12.2
Clerical and Sales	19.6	19.3	23.2
Service	11.2	10.5	11.0
Agricultural, Fishery, Forestry, and Related	1.0	1.4	1.1
Processing	6.7	5.2	4.6
Machine Trades	14.3	14.8	10.7
Benchwork	13.9	12.6	7.9
Structural Work	11.1	12.3	15.3
Miscellaneous	12.3	13.4	14.0

PERCENT DISTRIBUTION BY AGE

CATEGORY	This Month	Last Month	Year Ago
Total under 40	55.7	55.2	58.2
Under 22	7.0	7.3	6.9
22-24	9.5	9.9	9.8
25-34	28.6	27.6	30.1
35-39	10.6	10.4	11.4
Total 40 and Over	44.3	44.8	41.8
40-44	8.4	7.9	8.7
45-54	13.4	12.7	15.1
55-64	11.1	10.8	11.8
65 and Over	11.4	14.2	6.2

1/ Data refers to continued claimants who received benefits under the regular state unemployment insurance program.

The Bureau of Employment Security is affiliated with the U.S. Employment and Training Administration and is a Federal-State Statistical Program Cooperative Representative of the U.S. Bureau of Labor Statistics.

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MAINE DEPARTMENT OF
LABOR
20 Union Street Augusta, Maine 04330

BUREAU OF EMPLOYMENT SECURITY
Division of Economic Analysis and Research

POSTAGE AND FEES PAID
EMPLOYMENT SECURITY MAIL
Lab 449

AUGUST 1984

MAINE JOB SERVICE

"For Qualified Workers Contact Your Local Bureau of Employment Security Job Service Office"

Labor Market Information Services